

Message Text

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12

ACTION ARA-10

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PASS TO ARA DIPLOMATIC POSTS

E.O. 11652: N/A

TAGS: ETRD OAS VE

SUBJECT: EFFORTS TO AMEND TRADE ACT DOUBTED IN VENEZUELA

1. SUMMARY: VENEZUELA'S MOST INFLUENTIAL NEWSPAPER COLUMNIST- AND A FEDERAL DEPUTY OF THE GOVERNING PARTY - HAS LEVELED A HARSH ATTACK ON THE FORD ADMINISTRATION FOR PURPORTED INSICERITY IN STATING SUPPORT FOR AMENDMENT OF THE TRADE REFORM ACT TO REMEDY THE EXCLUSION OF VENEZUELA FROM THE GSP. ALTHOUGH UNFREINDLY AND UNFAIR, HIS COMMENTS ACCURATELY REFLECT A GENERAL FEELING OF FRUSTRATION HERE WITH RESPECT TO THIS INCREASINGLY TROUBLESOME ISSUE. END SUMMARY.

2. AD CONGRESSMAN LUIS ESTEBAN REY, IN HIS EDITORIAL COLUMN "GLOSAS" WHICH APPEARED IN THE FEBRUARY 2 EDITON OF EL UNIVERSAL STRONGLY QUESTIONED THE SINCERITY OF THE USG IN ITS DECLARATIONS OF EFFORT TO HAVE CONGRESS AMEND THE TRADE ACT IN ORDER TO ELIMINATE VENEZUELA AND ECUADOR FROM EXCLUSION OF THE GSP. HIS THESIS

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WASY THAT WHILE ON THE ONE HAND PRESIDENT FORD, ECONOMIC ADVISOR

WILLIAM SEIDMAN AND ASSISTANT SECRETARY OF STATE WILLIAM ROGERS WERE PROFESSING TO SEEK AN AMENDMENT TO THE TRADE ACT, ON THE OTHER HAND THEY WERE UNDERCUTTING THE EFFORT BY AGREEING WITH THE ORIGINAL RATIONALE FOR THE EXCLUSION, I.E., THE INCREASE IN OIL PRICES. REY QUOTED FROM A LETTER REPORTEDLY SENT FROM ASSISTANT SECRETARY ROGERS TO THE ECUADORAN-NORTH AMERICAN CHAMBER OF COMMERCE REFERRING TO "THE PROFOUND PREOCCUPATION OF THE U.S. PUBLIC WITH THE RAPID, EXCESSIVE AND WITHOUT PRECEDENTED INCREASE IN THE PRICE OF OIL DECREED BY OPEC." REY ATTRIBUTED SIMILAR COMMENTS TO SEIDMAN AND SAID THAT "WITH FRIENDS LIKE THESE WHO NEEDS ENEMIES?"

3. REY CONCLUDED HIS COLUMN WITH THE FOLLOWING SARCASTIC REMARKS ABOUT HOW MUCH HELP COULD BE EXPECTED FROM SECRETARY KISSINGER: BEGIN QUOTE. WILL KISSINGER BE THE SAVING ANGEL? BUT THERE IS ALWAYS A SAVING ANGEL WHICH COMES TO THE RESCUE OF DEVELOPING COUNTRIES, IN THIS CASE SPECIFICALLY VENEZUELA AND ECUADOR. THIS ANGEL OR ARCHANGEL OF FLAMING SWORD RESPONDS TO THE NAME OF HENRY ALFRED KISSINGER. THERE COULD BE NO OTHER, OF COURSE. THE SECRETARY OF STATE, IN DECLARATIONS BEFORE THE SENATE FINANCE COMMITTEE, CONCERNING COMMERCIAL RELATIONS WITH THE COUNTRIES OF THE THIRD WORLD, URGE CONGRESS TO ELIMINATE THE RESTRICTIONS ON COMMERCE WITH THE OPEC COUNTRIES. HENRY A. HAD SAID THAT THESE RESTRICTIONS HAVE BECOME THE PRINCIPAL PROBLEM BETWEEN THE USA AND PRACTICALLY ALL OF LATIN AMERICA INCLUDING VENEZUELA AND ECUADOR.

4. THE DECLARATION OF ENRIQUE ALFREDO KISSINGER FILLS US WITH EMOTION AND HOPE. WE DO NOT KNOW IF THEY WILL PUT AN END TO ALL THE CONTRADICTIONS IN WHICH MR. FORD, HIS ADVISOR SEIDMAN, OUR GOOD FRIEND WILLIAM ROGERS AND KISSINGER HIMSELF HAVE PARTICIPATED. THE ONLY THING THAT WE CAN SAY NOW IS THAT SUCH CONTRADICTIONS, WHICH ALSO CAUSE US TO DOUBT THE SUPPORT OF KISSINGER, ARE NOT IN THE WAY OF A GOOD PREFACE TO THE ANOUNCED VISIT TO CARACAS OF THE SECRETARY OF STATE. TOTALLY TO THE CONTRARY. PERHAPS THIS IS THE OPPORTUNITY TO QUOTE THE WORDS OF SENATOR JAVITS WHO RETURNED TO WASHINGTON AFTER SPENDING LIMITED OFFICIAL USE

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A FEW DAYS IN CARACAS, STATING THAT "THE MAJOR SINGLE SOURCE OF IRRITATION IN THE RELATIONS BETWEEN THE UNITED STATES AND VENEZUELA IS THE EXCLUSION OF VENEZUELA AND ECUADOR FROM THE SYSTEM OF PREFERENCES". IT SHOULD BE NOTED THAT THIS EXCLUSION DOES NOT AFFECT VENEZUELA COMMERCIALLY AT THIS POINT OF TIME BECAUSE THE QUANTITY OF OUR NON-TRADITIONAL EXPORTS IS MINIMAL (PETROLEUM IS NOT AFFECTED). FOR 1974 THEY DID NOT REACH BS 170 MILLION.

BUT VENEZUELA HAS PROTESTED ON THE BASIS OF PRINCIPLE NOT MONEY. AS WAS NOTED IN THIS COLUMN OF JANUARY 14, 1975, WHAT WE ARE DISCUSSING ARE NOT STATISTICS BUT PRINCIPLES. THE UNITED STATES ITSELF MORE THAN ONE TIME HAS INVOKED SIMILAR POSITIONS. IT IS NECESSARY TO INSIST TODAY IN WHAT WE NOTED IN A RECENT COMMENTARY: THE UNITED STATES IS NOT CONTENT WITH THE MOST ADVERSE OPINION WHICH IT ENCOUNTERS EACH TIME IN ASIA, AFRICA AND EVEN IN EUROPE, IT IS DOING EVERYTHING POSSIBLE TO ALIENATE THE COUNTRIES OF LATIN AMERICA, WHERE PERHAPS IT IS IN ITS INTEREST TO CONSERVE SOME FRIENDS. IT IS FOR THIS REASON THAT SOME INTERNATIONAL OBSERVERS DOUBT THE SINCERITY OF THE UNITED STATES IN THE NORTH-SOUTH DIALOGUE. BUT IT IS EVIDENT THAT THE POLICY OF IMPERIALISM TODAY HAS ITS LIMITS. END QUOTE.

5. COMMENT: REY'S COMMENTS ACCURATELY REFLECT AN INCREASING SKEPTICISM HERE AS TO THE ADMINISTRATION'S REAL COMMITMENT TO AMENDMENT OF THE TRADE ACT. WE SHOULD NOT DECEIVE OURSELVES THAT SOMEHOW THE ISSUE WILL GO AWAY, OR THAT VENEZUELANS WILL COME TO UNDERSTAND THAT IT DOESN'T MATTER IN ANY CASE SINCE GSP OFFERS NO PRACTICAL BENEFITS TO THIS COUNTRY. REY AMONG MANY OTHERS HERE WILL NOT LET IT GO AWAY. AS FOR THE CONGRESSMAN'S UNFRIENDLY AND WASPISH TONE, A HIGH OFFICIAL OF THE GOV COMMENTED TO THE AMBASSADOR RECENTLY THAT REY IS "GETTING AS BAD AS JUAN PABLO PEREZ ALFONSO." THE LATTER, VENEZUELA'S ELDER STATESMAN OF PETROLEUM, HAS LITTLE GOOD TO SAY ABOUT ANYTHING THESE DAYS. END COMMENT.
SHLAUDEMAN

NOTE BY OC/T: NOT PASSED ARA DIPLOMATIC POSTS.

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